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SUBJECT: PRESS BULLETIN - January 28, 2009

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Chosun Ilbo Young People Look to Small and Medium Companies for Career Development

JoongAng Ilbo Is the World Ready for Korean Cuisine? ROK Stakes Out Its Plans to Feed Global Tastes with Traditional Dishes

Dong-a Ilbo, Seoul Shinmun Further Deregulation of Real Estate Market Slated for February and March

Hankook Ilbo

Increasing Number of People in Their 20s Create "Social Ventures" to Make Money While Doing Socially Valuable Work

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ROKG Backpedaling on Yongsan Tragedy; Main Opposition Democratic Party Demands an Independent Inquiry, Accusing ROKG of Covering Up the Truth

Segye Ilbo Job Cuts Mount Around the Globe

Domestic Developments

11. Sandra Day O'Connor, the first female justice to sit on the U.S. Supreme Court, said in a Jan. 22 interview that political leaders should respect the highest court's decisions. (Dong-a)

- 11. According to China's official Xinhua News Agency, North Korean leader Kim Jong-il, in a Jan. 23 meeting in Pyongyang with Wang Jiarui, Director of the International Department in the Chinese Communist Party's Central Committee, said that he wants to push forward the stalled Six-Party Talks and that his country is making efforts to denuclearize the Korean Peninsula. State Department Deputy Spokesman Robert Wood responded during a Jan. 23 press briefing that the North Korean remarks were a "good thing" and that the U.S. wants to talk to North Korea. (Dong-a, Hankook, all TVs)
- 12. North Korean leader Kim Jong-il's first son, Kim Jong-nam, told reporters in Beijing, China on Jan. 24 that it is entirely up to his father who succeeds him. The younger Kim was quoted as saying: "No one can say for sure about who could possibly replace my father. Only father can make the decision." (All)
- 13. In a related development, a source in diplomatic circles commented that Kim Jong-nam's remarks seemed intended to show the world that Kim Jong-il remains in control as leader of his country. (Chosun) Another speculation is that the younger Kim might be trying to make his presence felt in a competition to succeed his father amid reports that the North Korean leader, driven by his poor health condition, has designated his third son, Jung-un, as his successor. (JoongAng)

Media Analysis

North Korea

Most of the ROK media today and over the lunar New Year's holidays gave prominent attention to North Korean leader Kim Jong-il's Jan. 23 meeting in Pyongyang with Wang Jiarui, the Chinese Communist Party's International Department Director. The ROK media noted that this meeting was the North Korean leader's first reported meeting with a foreign official since he disappeared from public sight last fall after allegedly suffering a stroke. Most coverage was focused on North Korean leader Kim Jong-il's remarks that he wants to push forward the stalled Six-Party Talks and that his country is making efforts to denuclearize the Korean Peninsula. State Department Deputy Spokesman Robert Wood was also quoted as responding during a Jan. 23 press briefing that the North Korean remarks were a "good thing" and that the U.S. wants to talk to North Korea. Conservative Dong-a Ilbo headlined its story: "Dialogue Mood Heightens between the U.S. and North Korea." Left-leaning Hankyoreh Shinmun editorialized: "This move by North Korea provides a good opportunity to make advances at the Six-Party Talks and in discussions to establish a peace regime in Northeast Asia. The U.S. and China should make good use of this situation.'

The ROK media also gave wide attention to a report from Beijing quoting North Korean leader Kim Jong-il's first son, Kim Jong-nam, as telling reporters in Beijing, China on Jan. 24 that it is entirely up to his father who succeeds him. The younger Kim was widely quoted as saying: "No one can say for sure about who could possibly replace my father. Only father can make the decision." In a related development, conservative Chosun Ilbo cited a source in diplomatic circles as commenting that Kim Jong-nam's remarks seemed intended to show the world that leader Kim Jong-il remains in control of his country. Right-of-center JoongAng Ilbo, meanwhile, noted the younger Kim's encounter with the press as "highly unusual," and cited an ROK pundit as speculating that the younger Kim might be trying to make his presence felt in a competition to succeed his father amid reports that the North Korean leader, driven by his poor health condition, has designated his third son, Jung-un, as his successor.

President Obama's Al-Arabiya Interview
The ROK media ran inside-page reports on President Barack Obama's
Jan. 26 interview with the Al-Arabiya satellite television network,
quoting him as stressing the importance of "reconciling with the
Muslim world." Conservative Chosun Ilbo commented: "The fact that
President Obama chose an Arabic satellite TV network for his first
formal television interview as president reconfirms that the Middle
East issue is the biggest concern for the new U.S. president."

Right-of-center JoongAng Ilbo portrayed President Barack Obama's recent order to close the Guantanamo Bay prison camp in Cuba as drawing a clear line between himself and the failed policies of the previous administration, and stated in an editorial: "In a welcome ceremony for Secretary of State Hillary Clinton, President Obama said, 'We should bear in mind that America's power comes not only from military power and wealth, but from its core values.' Secretary of State Clinton also declared that they will begin a new era in American diplomacy, using 'smart diplomacy.' These statements indicated that an intelligent approach to diplomacy would be the Obama Administration's top priority when it comes to foreign policy. We wholeheartedly welcome the closure of Guantanamo as the Obama Administration's first step in realizing its firm beliefs, and displaying them to the world."

Global Economy - World Economic Forum, Davos, Switzerland The ROK media gave play to the upcoming annual Davos forum slated to open on January 28, with some 40 world leaders taking part. Most of the ROK media, however, commented that there would be limits to what the World Economic Forum can achieve, because the top financial officials of the new U.S. administration, who hold the key to finding solutions to the current crisis, will not participate because they are occupied by the crisis or by the confirmation process at home.

Opinions/Editorials

"Goodbye Guantanamo" (JoongAng Ilbo, January 24, 2009, Page 22)

"By ordering the closure of the Guantanamo Bay prison camp in Cuba, President Barack Obama has drawn a clear line between himself and the failed policies of the previous administration. He also distanced himself from the gross human rights violations perpetrated under the guise of the war on terror. In a welcome ceremony for Secretary of State Hillary Clinton, President Obama stated, 'We should bear in mind that America's power comes not only from military power and wealth, but from its core values.' Secretary of State Clinton also declared that they will begin a new era in American diplomacy, using 'smart diplomacy.' These statements indicate that an intelligent approach to diplomacy would be the Obama Administration's top priority when it comes to foreign policy. We wholeheartedly welcome the closure of Guantanamo as the Obama Administration's first step in realizing its firm beliefs, and displaying them to the world."

"Obama Takes a Stand against Torture" (Hankyoreh Shinmun, January 24, 2009, Page 23)

"The first thing U.S. President Barack Obama did after being inaugurated was to issue executive orders closing the detention center at Guantanamo Bay and prohibit the use of torture. This is significant in that it affirms that protecting human rights can never take a back seat to security for any reason. We truly hope to see this mindset take root quickly so as to increase the international community's confidence in the U.S. Furthermore we hope these efforts by President Obama lead to a fundamental review of the war on terror so that he can work on the creation of a new international order, one that seeks cooperation and common prosperity instead of conflict and military confrontation."

Relocation on Shaky Ground (JoongAng Ilbo, January 28, 2009, Page 30)

Four years have passed since Korea and the United States agreed to transfer U.S. troops to Pyeongtaek, but the completion date and costs have not been decided yet. No one has given a reasonable explanation for the delay. The ROK and the U.S. agreed to move the Yongsan Garrison in Seoul by the end of 2014, but failed to reach an agreement on the relocation of the U.S. 2nd Infantry Division. The delay of the project is causing damage to affected areas such as Pyeongtaek and Dongducheon.

There are no plausible explanations for the delay, even though it was inevitable that the relocation of the Yongsan Garrison could not

be completed by the end of 2008 due to the consistent opposition of anti-American forces. As the transfer was delayed, the Korean government said in December 2006 that it wanted to postpone the transfer from 2008 to four or five years later. The United States strongly refused at first but in the end reluctantly accepted the proposal. In May 2007, a high-ranking U.S. defense official even said it was worrisome that the delay of the transfer of U.S. troops might damage the Korea-U.S. alliance. It was the same in June last year when the Korean government talked about postponing the shift by three additional years.

However, the situation has been reversed recently. Seoul proposed to complete the transfer of the Second Division by 2014, but Washington wanted to postpone it to later than 2016. This is related to defense expenditures that the ROK provides to the United States annually. Late last year, Seoul and Washington agreed that part of the defense expenditure could be used for the transfer of U.S. troops. Therefore, the longer the transfer takes, the more costs the United States can allocate to the defense expenditures. This clearly shows that the two countries made an agreement on the transfer without making detailed plans on who would pay for the job and how.

The behavior of the agency in the Korean Ministry of National Defense that is responsible for overseeing the transfer of U.S. troops has been awkward. The body was established only two and a half years ago but has gone through four chairmen and is now has its fifth. Each chairman was in the post for an average of six months. Before they had barely begun to understand their job they were replaced. One chairman even provoked confusion over how the complex had to be built. Initially, the new base was to be built under a turn-key contract. As the agency unsuccessfully tried to change the system, the period of construction was delayed for about a year. As Seoul will pay for the relocation costs, it should have the right to decide whether to build a hospital or a communication center inside the base. But it is said that the right was given to the United States.

The ROK and the U.S. put large amounts of money exceeding 10 trillion won into the relocation project, so the plan should not be poorly implemented. Even if Seoul and Washington reach an agreement to complete the relocation by the end of 2014 or 2016, it is 6 years behind the original schedule. Even when a small road is paved in a little town, the job is done more carefully than that.

Above all, the Korean Ministry of National Defense's agency responsible for the transfer of U.S. troops should be overhauled completely. After the Lieutenant General took the helm at the agency, some voiced their concerns that the principle of "open appointment" was not respected in the appointment process. Given this, it is not desirable for the Ministry of National Defense, which changes policy direction constantly,, to be in charge of the relocation. The Korean government should set up a separate organization in charge of the relocation of U.S. military bases in Korea, and review its deadline, costs, and detailed procedure to systemically implement the plan.

* We have compared the English version on the website with the Korean version and made some changes to make them identical.

Kim Jong-il's Growing Interest in Progress
at Six-Party Talks
(Hankyoreh Shinmun, January 28, 2009, Page 23)

North Korean National Defense Commission Chairman Kim Jong-il met with Wang Jiarui, head of the International Department of the Communist Party of China Central Committee, on Friday and expressed interest in the denuclearization of the Korean Peninsula and peace in Northeast Asia. It was the first time he had met with a high-level foreign delegation since rumors that he was in poor health emerged in the fall of last year. It would appear that he is trying to set a new stage for his country on the occasion of the start of the Obama Administration in the United States.

The new environment can be seen in three areas. The first would be what looks like the formation of an atmosphere for direct negotiation between the United States and North Korea. "We are

working for the denuclearization of the Korean Peninsula," said Kim.
"I hope that Chinese cooperation and harmony will lead to progress in the Six-Party Talks." That kind of talk is going to put new energy into the stalemated Six-Party process. The U.S. State Department said it welcomed the comments, and that it is going to move to review policy towards Pyongyang. That is a friendly response. When Kim said he "hopes to see us moving forward peacefully with the countries that are related to the process," you hear his desire to improve relations with Washington.

Then there would be the part about China's role. In meeting with Wang, you saw how Kim has hopes for China's involvement. Wang personally delivered a letter from Chinese leader Hu Jintao, so he was, for all practical purposes, a special emissary, and Kim accepted Hu's invitation to visit Beijing. The year 2009 marks the 60th anniversary of the establishment of diplomatic relations between Pyongyang and Beijing, and the last time Kim visited China was in January 2006. He expressed appreciation for the constructive role China has played as the host nation of the Six-Party Talks. China, in turn, has the same interests since it wants to be able to speak with a bigger voice in matters of the Korean Peninsula and Northeast Asia.

Finally, there is Kim's expression of an interest in better inter-Korean relations. "I do not want to see tensions form in the political situation on the peninsula," he said. This would mean that while he is going to respond to Seoul's policies towards the North, he does not want to see a ruinous relationship. And he put pressure on the South when he said he hopes it would actively respect the June 15 and October 4 declarations.

This shift on the part of North Korea provides an opportunity to make advances at the Six-Party Talks and in discussing a peace regime for the Northeast Asian region. It has been confirmed that the rumors of Kim being in poor health are weak in their basis. The United States and China will make proactive use of this situation. The biggest obstacle for the South to overcome is inter-Korean relations. The relationship is at an impasse right now, giving Seoul increasingly less room in which to maneuver. It also hurts our ability to respond if a contingency occurs. Now is the time for Seoul to wholly review its policies towards Pyongyang.

 \ast This is a translation provided by the newspaper, and it is identical to the Korean version.

Stephens

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